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Arizona Corporation Commission

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BEFORE THE ARIZONA CORPORATION COMMISSION

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2006 SEP 19 P 3: 16

JEFF HATCH-MILLER, Chairman AZ CORP COMMISSION

KRISTIN K. MAYES

IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY FOR

AUTHORIZATION TO ACQUIRE POWER

DOCUMENT CONTROL

DOCKETED BY

DOCKET NO. E-01345A-06-0464

PROCEDURAL ORDER

BY THE COMMISSION:

COMMISSIONERS

MIKE GLEASON

BARRY WONG

PLANT.

On July 13, 2006, Arizona Public Service Company ("APS") filed with the Arizona Corporation Commission ("Commission") an application for approval to purchase a new generation resource within APS' Yuma load pocket either through direct contracts with vendors and contractors or through a contract with a developer.

On July 28, 2006, Mesquite Power, LLC, Southwestern Power Group II, LLC and Bowie Power Station, LLC ("Mesquite/SWPG/Bowie") filed a joint application to intervene.

On July 28, 2006, Mesquite/SWPG/Bowie also filed a Motion to Dismiss Application, or, in the Alternative, Schedule Procedural Conference; and, Supporting Memorandum of Points and Authorities.

On August 10, 2006, APS filed its Response in Opposition to Application for Leave to Intervene.

On August 10, 2006, Arizona Competitive Power Alliance ("Alliance") filed its Application for Leave to Intervene and Joinder in Motion to Dismiss.

On August 14, 2006, Mesquite/SWPG/Bowie filed their Reply to APS's Response in Opposition to Application For Leave to Intervene and Request For Oral Argument.

On August 17, 2006, APS filed its Response in Opposition to Application of Arizona Competitive Power Alliance for Leave to Intervene.

By Procedural Order issued August 22, 2006, a Procedural Conference was scheduled to hear argument on the Motions and to discuss the appropriate procedure for processing this application.

. . .

The Procedural Conference was held as scheduled and oral arguments were heard on the motions to intervene and limited oral argument was heard on the Motion to Dismiss/Set Procedural Conference. At the procedural conference, the Motions to Intervene by Mesquite/SWPG/Bowie and by the Alliance were granted, and APS was given until September 1, 2006, to file a written response to the Motion to Dismiss/Set Procedural Conference, and the Intervenors and Staff were given until September 8, 2006 to file any reply to APS' response.

On August 29, 2006, a Procedural Order was issued incorporating the determinations made during the procedural conference and directing the parties to work together to try to develop a recommended process for handling this matter.

On August 31, 2006, Mesquite/SWPG/Bowie filed a Motion to Withdraw the Motion to Dismiss Application.

On September 1, 2006, APS filed its Response to the Procedural Order. APS indicated that given the Intervenors' August 31, 2006 filing to withdraw their Motion to Dismiss, it would not be responding to the Motion at that time. APS also indicated that it was meeting with the Intervenors to try and develop a timely and mutually acceptable process. APS requested that the matter not be set for hearing while the parties are attempting to negotiate a streamlined process and Staff is completing its analysis and recommendation. APS proposed to file an update by September 15, 2006, and indicated that the Intervenors concur with APS' request that a decision on an evidentiary process not be made pending further discussion by the parties.

On September 18, 2006, APS filed a Request for Extension to September 21, 2006 to file either an agreed-upon process for addressing the Intervenors' questions or to file its response to the Intervenors' procedural proposals. APS indicated that the Intervenors concur with the requested extension.

IT IS THEREFORE ORDERED that the Request is hereby granted and Arizona Public Service Company shall file either an agreed-upon process for addressing the Intervenors' questions or Arizona Public Service Company's response to the Intervenors' procedural proposals, by September 22, 2006.

1 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive 2 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing. Dated this _ 3 day of August, 2006 4 5 6 ADMINISTRATIVE LAW JUDGE 7 Copies of the foregoing mailed/delivered 8 day of August, 2006 to: Karilee S. Ramaley Thomas L. Mumaw Christopher Kempley, Chief Counsel 10 PINNACLE WEST CAPITAL Legal Division ARIZONA CORPORATION COMMISSION CORPORATION 11 1200 West Washington Street 400 N. 5 St. MS 8695 Phoenix, AZ 85007 Phoenix, Arizona 85004 12 Ernest G. Johnson, Director Lawrence V. Robertson, Jr. 13 **Utilities Division** MUNGER CHADWICK ARIZONA CORPORATION COMMISSION 14 P.O. Box 1448 1200 West Washington Tubac, AZ 85646 Phoenix, AZ 85007 15 Attorneys for Mesquite Power, LLC, Southwestern Power Group II, LLC and 16 Bowie Power Station, LLC 17 By: Jay I. Moyes 18 **MOYES STOREY** Secretary to Lyn Farmer 1850 N. Central Avenue, Ste. 1100 19 Phoenix, AZ 85004 Attorneys for Arizona Competitive Power 20 Alliance 21 Greg Patterson 22 916 W. Adams, Ste. 3 Phoenix, AZ 85007 23 24 25 26 27

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